

The Role of Human Capital in Tour and Travel Industry. The Influence of Employee Competence, Employee Commitment and Compensation to the Employee Performance of the Tour and Travel Company

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Abstract—This study aims to determine how big the influence of variable employee Competence, Commitment and Compensation to the Performance of employees at Tour and Travel Company. The background of this research is the fierce competition between on line hotel and ticketing agent like *traveloka* with tour and travel company, the company must improve the competitiveness, especially in the field of Human Resources. This research was conducted specifically to employees who work as contact center. The number of samples are 64 employee from Human Resource Department Section (HRD). Data are processed by using SPSS. The results of this study indicate that separately variable Competence, Compensation and Commitment have a significant influence on the Employee Performance.

Keywords—*competence; compensation; commitment; employee Performance; tour and travel company*

I. INTRODUCTION

Tourism is the emerging business field that contribute to Indonesia foreign exchange acceptance. Tourism also offer many possibilities to company human resources to become human capital Indonesia tourism begin last year 2016 become most promising industry in this decade according to the Programmed of the Department of Tourism to create 10 New Bali Tourism destination until 2019 There are many supporting industry related to tourism and this research is Tour and Travel Business. The business is promoting business entity because in tourism industry need many

Transportation vehicle, accommodation and qualified tour guide This tour and travel company has many braches in Indonesia for example Jakarta, Bandung, Bali, Papua, Surabaya and other cities and have more than 20 years experiences conducted tour and travel operation. The headquarter of this company is in Jakarta which have population with high mobility and high income which is one of the indicator to biggest tourism market in Indonesia.

The growth of tour and travel industry in Jakarta which have 2025 companies ([http:// asitajakarta.org](http://asitajakarta.org) 2017) also indicate the growth of tourism market. Among 2025 tour and travel companies, there are 500 companies that operate internationally, included the conducted research company. This company has the vision to become the house of travelling of Indonesia and the mission is to give our costumer pleasant and satisfying travelling experience. The value of this company is costumer priority to make sure costumer get optimum value from cooperation with the company. Costumer is a bridge for increasing innovation and continuous improvement.

The strategic point for the company is contact center employee who responsible to deal hotel reservation, ticket booking with obligation to inform the itinerary and price, requirement of hotel and travelling ticket and send to the costumer as soon as possible.

For execute the vision, mission and company value, need excellent performance employee especially the contact center. The company face the problem in employee commitment, competence which influence the performance. This research will investigate to influence of employee competence, commitment and compensation to the employee performance.

A. Research problem

The research problem are:

- How is the influence of employee competence to the employee performance
- How is the influence of employee commitment to the employee performance
- How is the influence of employee compensation to the employee performance.
- How big the influence of employee competence, commitment and compensation to the employee performance.

B. Research objective

- To analyse the influence of employee competence to the employee performance
- To analyse the influence of employee commitment to the employee performance
- To analyse the influence compensation to the employee performance
- To measure the effect of the employee competence, commitment, compensation to the employee performance

Management is science and art how to use other people for execute activity for reaching the company goal [1]. In management sciences, there are many tools and techniques with estétique value for directing, influence, controlling and organizing all the company resources to achieve the company goal

Management is special process on action of planning, organizing, leading and controlling to achieve company specific goal through usage human resources and other company resources [2].

Human resource management as the usage of the human resources to achieve company goal. Human resources is comprehensive capability of physical and thinking of the human resources where the behavior and character influenced by individual characteristic and social environment and the working performance motivated by the need to achieve his/ her satisfaction.

C. Competency

Competency is the capability to execute a work or task based on skill, knowledge and supported by working attitude [3]. The competency show the professionalism of the employee so the employee has a competitive advantage in certain job. The competency with expertise behavior, competitive job and good attitude.

D. Compensation

Compensation is a whole payment received by the employee as result from job execution in organization included salary, bonus, incentive and other benefit and that compensation is the important factor for employee willing to work in organization [4].

E. Commitment

Commitment is a deal for doing something for him/ herself, the team or organization. Organizational commitment reflect the condition of the employee that identify him/ herself to the benefit of the organization and committed to the goal of the organization [5].

Commitment is employee loyalty to obey the organizational rule as a guidance to deal with client, society, and team in organization and other stake holder commitment.

F. Performance

The working output of the employee that contribute on organizational goal in the corridor on legal, moral and ethical principle. Performance is the result of the planned working process of the company employee performance [6].

II. METHOD

A. Conceptual Model

This research is descriptive causal model with Conceptual model below

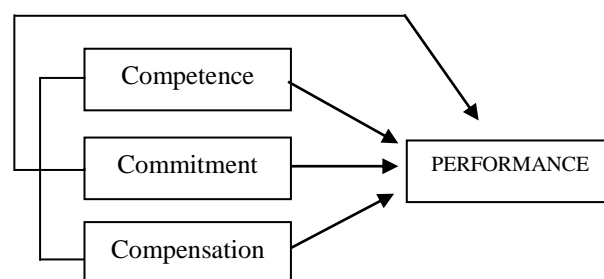


Fig. 1. Conceptual model.

The respondent of this research are contact center employee with the hypothesis:

- The employee competence influence the employee performance.
- The employee commitment influence the employee performance.
- The employee compensation influence the employee performance.
- The employee competence, commitment, compensation simultaneously influence the employee performance.

B. Population and Sample

The population is an area of generalization consisting of objects or subjects that have certain characteristics and qualities set by the researcher to be studied and drawn conclusions. The unit of analysis where there are Variables X1 is Competency, X2 is competence and X3 is competence and Variable Y is Performance. On this occasion researchers took the population in the head office with the target of the most contact center sections here as many as 64 people.

The sample is part of the number of characteristics possessed by the population. The sample is a collection of several of the most studied populations that are used to show the results of both positive and negative research.

Implementation of this activity by distributing questionnaires consisting of several questions to respondents who work as Contact Centers in various tour and travel industries located in Central Jakarta with the aim of getting information from the question of how there is influence of competence, compensation and motivation on employee performance at PT XYZ.

III. RESULTS AND DISCUSSION

The results of simple linear regression tests on competency variables can be seen in the following table:

A. Competency Variable Regression Test

TABLE I. COMPETENCY REGRESSION

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig | Collinearity Statistic | |
|-----------------|-----------------------------|------------|---------------------------|-------|------|------------------------|-------|
| | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 (Constant) | ,525 | ,188 | | 2,794 | ,007 | | |
| KOMPETENSI_RATA | ,731 | ,105 | ,658 | 6,942 | ,000 | 1,000 | 1,000 |

From the data above can be read with the following regression formula:

$$Y = a + bK$$

Therefore the regression results can be entered as follows:

$$Y = 0.525 + 0.731K$$

These numbers can be interpreted as follows:

Constants of 0.525; meaning if the Competency (K) value is 0, then Performance (KIN) has a positive value of 0.525.

Regression coefficient of Competency (K) variable of 0.731; meaning if Competence has increased 1 Competence,

then Performance (KIN) will experienced an increase of 0.731. Positive coefficient means there is a positive relationship between Competency and Performance, the more the employees have good competencies, the performance is better.

The influence between Competencies on Performance is positive and significant.

B. Compensation Variable Regression Test

The results of the simple linear regression test on the Compensation variable can be seen in the following table:

TABLE II. COMPENSATION REGRESSION

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig |
|--------------|-----------------------------|------------|---------------------------|-------|------|
| | B | Std. Error | Beta | | |
| 1 (Constant) | 15,412 | 2,037 | | 7,567 | ,000 |
| Kompensasi | -118 | ,249 | ,060 | ,474 | ,637 |

$$Y = a + bC$$

Therefore the regression results can be entered as follows:

$$Y = 15,412 + 0,118C$$

These numbers can be interpreted as follows:

Constants of 15,412; that means if Compensation (C) the value is 0, then the Performance (KIN) value is positive at 15.412.

The regression coefficient of the Compensation (C) variable is 0.118C; meaning if Compensation experiences an increase of 1 Compensation, then Performance (KIN) will

experienced an increase of 0.118. Positive coefficient means that it occurs.

Significant relationship between Compensation and Performance, the more employees given good compensation, the more performance becomes increase too.

The effect of Compensation on Performance is negative and significant

C. Commitment Variable Regression Test

The results of the simple linear regression test on the Commitment variable can be seen in the following table:

TABLE III. COMMITMENT REGRESSION

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig | Collinearity Statistic | |
|-----------------|-----------------------------|------------|---------------------------|-------|------|------------------------|-------|
| | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 (Constant) | ,519 | ,289 | | 1,799 | ,007 | | |
| KOMPETENSI_RATA | ,600 | ,133 | ,493 | 4,501 | ,000 | 1,000 | 1,000 |

From the data above can be read with the following regression formula:

$$Y = a + bKN$$

Therefore the regression results can be entered as follows:

$$Y = 0.519 + 0.600Kn$$

These numbers can be interpreted as follows:

Constants of 0.519; that means if Commitment (Kn) the value is 0, then Performance (KIN) has a positive value of 0.519.

The regression coefficient variable Commitment (Kn) is 0.600; meaning if Competence has increased 1 Competence, then Performance (KIN) will experienced an increase of 0.600. Positive coefficient means there is a positive relationship between Commitment and Performance, the more the employee has a good commitment the better the performance.

The influence between Commitments to Performance is positive and significant.

TABLE IV. REGRESSION

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig |
|--------------|-----------------------------|------------|---------------------------|--------|------|
| | B | Std. Error | Beta | | |
| 1 (Constant) | .563 | 2.245 | | .251 | .803 |
| Competency | .644 | .114 | .510 | 5.643 | .000 |
| Compensation | -.526 | .188 | -.271 | -2.798 | .007 |
| Commitment | .338 | .075 | .462 | 4.501 | .000 |

The regression equation is:

$$Y = 0.563 + 0.664X_1 - 0.526X_2 + 0.338X_3$$

From this equation, refer that the main factor influence performance is employee competence

Constants of 0.563; meaning if Competence (K), Compensation (C) and Commitment (Kn) value is 0, then Performance (KIN) is positive amounting to 0.563 Positive value coefficient means there is a positive if between relationship Competence with Performance, the more competent employees are, the more Good performance.

Regression coefficient of Competency (K) variable is 0.644; meaning if Competence has increased 1 Competence, then Performance (KIN) will experienced an increase of 0.644, and a variable regression coefficient Compensation (C) of -0.526; Negative coefficient means if Compensation experiences an increase of 1 Compensation, then Performance (KIN) will has decreased by -0.526 The coefficient of negative value means that it occurs

Negative relationship between Compensation and Performance, the more employees given compensation, the performance is not good enough.

The regression coefficient of the Commitment (KN) variable is 0.338; meaning if Commitment experienced an increase of 1 Commitment, then Performance (KIN) will has

increased by 0.338 Coefficient of positive value means that it occurs.

A positive relationship between Commitment and Performance, the more employee's commitment, the better the performance. The influence between competency, compensation and commitment together the same for Performance is positive and significant.

H1: The value of competency 5,643 > t table 1,999. The employee competency influence the employee performance.

H2: The compensation value - 2,798 > t table 1,999. The employee compensation negatively influences the performance.

This is the research

H3: The t value of the Commitment is 4,501 > t table 1,999. The employee

TABLE V. F RESULT

| Model | Sum of square | Of | Mean Square | F | Sig |
|--------------|---------------|----|-------------|--------|------|
| 1 Regression | 466.555 | 3 | 155.518 | 27.290 | .000 |
| Residual | 341.930 | 60 | 5.699 | | |
| Total | 808.434 | 63 | | | |

The H4: F Value of the employee competence, commitment and compensation is 27,290 > F table 2,755. The employee competence, commitment, compensation simultaneously influence the employee performance.

TABLE VI. R SQUARE

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------|----------|-------------------|----------------------------|
| 1 | .761a | .579 | .559 | .26313 |

From the Model Summary conclude that the Contribution of three Competency, Commitment and Compensation to Employee Performance only 55%, the other contribute by other variable.

From this finding, refer that for Tour and Travel Company, the employee competency and competence are not enough, other factor must be elaborated by further research.

IV. CONCLUSION

- Employee competence significantly influence the employee performance in Tour and Travel Company.
- Employee Compensation has negative influence to Employee Performance in Tour and Travel Company.
- Employee Commitment significantly influence the employee performance in Tour and Travel Company.
- Employee competence, compensation, commitment significantly influence the employee Performance.

A. Managerial Implication

The employee competence has biggest contribution in this research, show that experience employee give significant effect to the employee performance. The Company should attract the experience employee from other Tour and Travel Company other take fresh graduate employee.

The employee compensation has negative impact to the Employee Performance. It indicates that the salary given according to the employee workload, so company should have employment policy not on compensation but internal motivation factor like employee relationship, career plan and other social relationship.

The indicator shows that commitment has influence to the employee performance, it shows that the supervisor values the work of his / her employee and supervisor always gives support to each employee. This situation should be a company policy on relation between supervisors with the staff.

The weak indicator of Commitment Variable is relationship between employee, so the company should introduce employee relationship program.

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